

FORT JESSUP FIELD
06-421 and 06-422

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, MAY 2, 2006**, upon the application of **EOG RESOURCES, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Sabine Chalk Series, Reservoir B**, in the Fort Jessup Field, Sabine Parish, Louisiana.

1. To dissolve all units in the Fort Jessup Field, Sabine Parish, Louisiana, previously established for the Sabine Chalk Series in the 632 Series of Office of Conservation Orders, insofar as they cover lands in the West Half of Section 25 and the East Half of Section 26, Township 7 North, Range 11 West, and in the Southwest Quarter of Section 1, the Southeast Quarter of Section 2, the Northeast Quarter of Section 11 and the Northwest Quarter of Section 12, Township 6 North, Range 11 West, and thereby overlap the proposed units mentioned in Item 2 below.
2. To establish rules and regulations and to create two (2) drilling and production units for the exploration for and production of oil and gas from the Sabine Chalk Series, Reservoir B, said units to be designated SAB RB SUA and SAB RB SUB, respectively.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
4. To authorize special field spacing rules for future horizontal wells drilled to the Sabine Chalk Series, Reservoir B, which would provide: (a) that the penetration point and terminus of any lateral of any such horizontal well should be located no closer than 330 feet to any unit boundary; (b) that the distance from any point along the productive portion of any lateral and those unit boundaries which run generally parallel to the direction in which the laterals are drilled should not be less than 660 feet; and, (c) that there be no well spacing limitations between wells other than that accomplished by application of the aforesaid provisions.
5. To provide that future horizontal wells drilled to the Sabine Chalk Series, Reservoir B, in the Fort Jessup Field, be given an allowable based on the maximum efficient rate (MER) of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit economical development and reservoir depletion without causing waste in accordance with the provisions of Statewide Order No. 151-A-2 (LAC 43:XIX.3701-3709).
6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of such reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
7. To consider such other matters as may be pertinent.

The Sabine Chalk Series was previously defined in Office of Conservation Order No. 632, effective July 1, 1963.

A plat is available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.

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www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, La

3/22/06;3/25/06

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**IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH
DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-
ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275
IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.**